

Courage My Friends Podcast Series II – Episode 6
COVID, Inequality and the Billionaire Space-Race

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ANNOUNCER: You're listening to *Needs No Introduction*.

Needs No Introduction is a rabble podcast network show that serves up a series of speeches, interviews and lectures from the finest minds of our time

[music transition]

COURAGE MY FRIENDS ANNOUNCER: COVID. Capitalism. Climate. Three storms have converged and we're all caught in the vortex.

STREET VOICE 1: It's been two years already. If we can't get it together to deal with this world-wide pandemic, how are we going to deal with the climate crisis?

STREET VOICE 2: The future just seems so uncertain. What do say to my kids?

STREET VOICE 3: This is outrageous! The rich are getting richer, the are getting poorer. Where is the compassion? Where is the solidarity?

[music]

COURAGE MY FRIENDS ANNOUNCER: What brought us to this point? Can we go back to normal? Do we even want to?

Welcome back to this special podcast series by rabble.ca and the Tommy Douglas Institute (at George Brown College) and with the support of the Douglas-Coldwell-Layton Foundation. In the words of the great Tommy Douglas...

VOICE 4: Courage my friends; 'tis not too late to build a better world.

COURAGE MY FRIENDS ANNOUNCER: This is the *Courage My Friends* podcast.

RESH: According to a recent Oxfam report, there are currently 2,668 billionaires worldwide; one "minted" every 30 hours since the start of the pandemic. In Canada, we're currently at 53. All this while the vast non-billionaire majority have seen incomes and opportunities shrink, insecurity and precarity grow, and face more and more uncertain futures.

How do we understand billionaire wealth? And what do billionaires signal about our economic and democratic systems?

In this episode of the Courage My Friends podcast, *COVID, Inequality and the Billionaire Space-Race*, we are very pleased to welcome Linda McQuaig and Ian Thomson.

Award-winning journalist and activist, Linda McQuaig is also the author of best-selling books, including *Shooting the Hippo: Death By Deficit and Other Canadian Myths*; *It's the Crude Dude: War, Big Oil and the Fight for the Planet*; *The Trouble with Billionaires* [co-authored with Neil Brooks] and most recently, *The Sport and Prey of Capitalists: How the Rich Are Stealing Canada's Public Wealth*. A long-time and powerful voice of dissent against economic injustice and extremes of wealth, Linda has been described as "an indispensable public intellectual" and "an irritant to Canada's 1%" - One of whom even suggested that she be "horse-whipped"

Ian Thomson leads Oxfam Canada's work on government relations, corporate engagement, and feminist policy influencing in Canada and internationally. Prior to joining Oxfam, he coordinated the human rights and natural resources program of a national ecumenical coalition and chaired the Canadian Network on Corporate Accountability. Ian is a board member of MiningWatch Canada and the Maquila Solidarity Network and holds engineering degrees from Queen's University and the University of Toronto.

Welcome Linda and welcome Ian!

LINDA: Thank you Resh. Great to be here.

RESH: Lovely having the both of you here.

So Linda, let's start with the basics. Billionaire is a word that we say easily and more and more often in recent decades, but it can be difficult to conceptualize this amount of wealth. Can you help us picture what a billion means?

LINDA: Yeah, it's, interesting to try and conceptualize just how much money billionaires have, because we've come to use the word "billionaire" just as almost a slang for a really, really rich guy But let's just get a sense of how rich these people are.

Okay, here's one way to sort of play a mind game that illustrates it. Let's say somebody gives you a dollar every second. That's a very fast rate of accumulating money. Means after a minute you would have \$60. If you continue to receive money at that rate all day and all night, in order to become a millionaire it would take 12 days, 12 days.

Okay, so we have a sense of a million, but what about a billion? How much longer would it take at that rate, a dollar every second, to become a billionaire? And in fact, it's 12 days for a millionaire, but to become a billionaire it would take 32 years. This is phenomenal the amount of wealth that we're talking about. And that's to be a uni-billionaire. A uni-billionaire barely turns heads on a beach anymore. We're talking about these top billionaires, Bezos and Elon Musk. We're talking about \$200 close to \$300 billion. So the amounts involved are just staggering.

RESH: And how does one even accumulate that amount of wealth?

LINDA: Basically through a corrupt system! The very wealthy have always been extremely effective at controlling the way the system worked in order to make sure that they enjoyed the lion's share.

But in recent years this has just become so out of control. If you look at the early post-war period from the second world war until about 1980, we had a far more egalitarian way of distributing wealth in this country. And by that, I don't just mean the tax system was fairer; I mean, all the economic structures. Labor was more empowered. The laws were much stricter in terms of regulating capital and regulating corporations. What has ended up happening is in the last few decades, the wealthy have become so, so immensely powerful that they've effectively managed to change all our economic laws to make them ever richer. To strengthen their copyright. To strengthen their rights as capital owners. To strengthen their control of the tax system. So that increasingly the money - for reasons that have everything to do with power and nothing to do with the economic value of billionaires - all this collective effort we do as a society has become increasingly directed just at the top.

RESH: Ian, in its focus on global poverty and economic injustice, Oxfam has long been sounding the alarm about the rise in billionaire wealth and how it's connected to global poverty and global disparity. And this was happening long before COVID. So what were we actually seeing before the pandemic, in terms of this disparity?

IAN: Well, thanks Resh. I mean, it's true. Oxfam has really been a shining a light on this and banging the drum and trying to expose extreme wealth inequality for a number of years, even before the pandemic really supercharged this gap between the super rich and everybody else. And sometimes we were criticized because we were told, "You should really be focusing on extreme poverty. And if the number of people living in extreme poverty is going down, then as Oxfam your work is done. Don't worry if a few people up at the top are accumulating a huge, massive wealth. That isn't really what an organization fighting poverty should be focused on."

Yet, we knew that, as you pointed out, Linda, that it's a whole system. And that if we're rigging the rules so that those at the top are accumulating more and more; it means that the rest are going to be increasingly more and more precarious. And close to being pushed into extreme poverty if we don't change that at the system level. So we were concerned from the very beginning, when we started to see the wealth of multimillionaires and billionaires take off in the way that it did. And I was also happy Linda, that you actually called them "really rich guys"; because that's the other thing that we notice again and again. No matter what continent you're talking about, no matter what country you're talking about, these are men that are accumulating these massive fortunes in most cases. And those who are being pushed into extreme poverty and precarity tend to be women and workers in female-dominated sectors of the economy.

So we're also seeing a very gendered gap in who's accumulating all this wealth and who's being left behind.

RESH: That's interesting. We'll come back to that gendered gap because what we're seeing now, more and more people are calling a *she-cession* and a global *she-cession* that's happening around the world. As you say, Ian, that it is females that are bearing the brunt of this.

One of the Oxfam statistics that came out just in 2019, which was the year before the pandemic, is that global billionaires, cumulatively their profits rose by 25%. That's just over a trillion dollars in one year. And by your calculations Linda, that would probably take us back to the stone age. I mean, this is pretty insane.

Going back to you, Linda, is there such a thing as a self-made billionaire? I mean, taking the title from your most recent book; how are the rich stealing Canada's public wealth?

LINDA: The whole thing about the self-made man is just such malarkey. There are so many individuals that help any one individual earn money through a lifetime.

Elizabeth Warren said it very well when she said, "it takes a village to create a billionaire" basically. It takes all the people working around them, helping them. But even more than that, there's two other things that are so important to recognize.

And one is the enormous amount of government support that goes into creating great wealth. So, for instance eight out of the 10 richest people in the world now are so-called "tech-billionaires", and of course, as Ian was mentioning, you know, these guys got particularly wealthy during the pandemic.

But the point is, how did they get their incredible wealth in the first place. Well, we've got to remember that government, it was the US government primarily in the period after the second world war that invested so heavily, mostly for military purposes, in creating the computer and internet revolutions.

So there's been trillions of dollars of money spent developing the technology that then these tech-billionaires come along and add some little twist to that enables them to pick up on that technology and market it to a broader public. And I'm not saying that some of those changes haven't been important in creating, for instance, the personal computer. But the technology for all of the computer and internet revolutions - so much of the wealth we have today - that technology, that research that led to that technology was all paid for by public money. Public money!

So the idea that these innovators come along and twist it in a way that they're able to market it to billions - developing a new app even and you can become a billionaire. This is ludicrous to see these people as sort of self-created individuals. They only have the wealth that they do because of all that public money that's been invested. And furthermore, the only reason technology advances over time. There's no one thing that ...Bill Gates doesn't come along and create out of nothing the computer revolution. It's a process that has been developing since the invention of the wheel. Science is a process of one step leads to another. And without that knowledge inheritance of humanity, none of this billionaire wealth would be possible.

So the question then becomes, if we have this knowledge inheritance going back to the beginning of mankind or humankind's thinking, and then we add to that the trillions of dollars in public money that's invested in specific research to do with hyper-advancing technology; why would we then allow the lucky individuals that managed to capture this incredible inheritance of wealth - Why do we allow them to go untaxed? They should affectively be required to pay enormous amounts of their technology wealth back to the public. Because that's where it came from. That's where the money came from.

And I'm not saying we should do this just to be fair - although that's a good reason. But we should do this just to acknowledge properly where the money came from, how these inventions happened. And to properly reward the public, which has been the one footing the bill for all of this.

RESH: Yeah. And another point that you have made, and Mariana Mazzucato who you also referenced in your book has made, is that even when these were start-ups - Bill Gates's start-up, or Apple start-up - that normally they started with public dollars, entrepreneurial grants or something like that. So essentially what they did is, in many cases, socialized the risk, but then privatize the profit and the success. And that that money is not returned to the public purse.

LINDA: Well, first of all, let's not forget that billionaires the majority of them in fact inherit wealth. They may have made it bigger, but they start from a position of wealth. You mentioned Bill Gates. Bill Gates happened to grow up in a family that wasn't a wealthy family, but his mother was very politically connected to some, very important people. So he ended up having access to the early computers at this very kind of lucky school that he went to that had some kind of early computer technology. So this is not something everybody has access to. That was essentially a public school publicly funded.

There are so many ways that they get advantages through public support. And then once they become fabulously rich, there's no effort to pay back that at all. In the case of Bill Gates, he spent years and years fighting litigation to prevent him from monopolizing the industry so much. And he was simply so rich that eventually he just prevailed. So we have such concentration in the computer industry. Even let's say all this Space X stuff we're seeing now. Space travel of billionaires.

The amount of government money through NASA, through direct grants to these billionaires is just phenomenal! And somehow that just gets left out of the equation. That media gets us all ... "Oh, Elon Musk or is it going to be Bezos?"

Let's look at just how much money they have from the public and how significant that has been to their success.

RESH: Well, then let's go into that. So here we are, COVID-19 and with it this billionaire space-race led by Richard Branson, Elon Musk, and Jeff Bezos. Now Ian, is it significant that the rockets literally took off during the pandemic? What has

happened to billionaire wealth during COVID? Because this is a unique moment for billionaires as well.

IAN: It truly is. If you can picture a rocket blasting off the planet, that's just how turbocharged the growth in billionaire wealth was over the first two years of the pandemic. It was just staggering. Like you said Linda, it's sometimes hard to wrap your head around how big the figures are.

Just if we look at Canada alone; billionaire wealth increased by \$111 billion. The billionaires in Canada accumulated \$111 billion more than they had at the beginning of the pandemic. And that's equal to the total amount of money the federal government actually provided to support Canadians through the pandemic through the CERB benefits - the Emergency Response Benefits.

So every dollar that went to every Canadian who needed to access CERB, that amount is how much Canadian billionaires were able to increase their wealth in that same time-period. It's just a staggering amount of money. When we look at the global level, the 10 richest men in the world more than doubled their fortunes over the course of the pandemic.

RESH: Jeff Bezos, when he and his friends were being launched into space. He actually said this at a press conference, I quote, "I want to thank every Amazon employee,"- him, of course, being the head of Amazon -"I want to thank every Amazon employee and customer because you guys paid for all of this."

Meanwhile, I believe at that time in Alabama, those guys were trying to organize for union rights.

IAN: I mean, For working people, it was a very precarious, extremely challenging time. You weren't only afraid of losing your life to this virus; but full swaths of the economy were shut down. Workers were being laid off en-masse. People were really pushed to the brink and beyond economically.

And yet consistently in sector after sector and country after country, we see billionaires were really just raking it in. It was the boom time. They actually made as much money during those two years of the pandemic as the previous 12 years put together. So it just really, really took off at such an alarming rate when the other 99% of the population was struggling and was really facing hard times

RESH: And that's 99% of the global population, right? So their incomes went down.

IAN: That's right. The 99% of the world's population as a group, their incomes went down over the pandemic and that 1% really just leaped up enormously. And some of it was actually directly tied to the pandemic.

When we look at the billionaires that were created in the pharmaceutical industry, from response to the pandemic itself, we can see that these were unique

monopolies, and as Linda said, protected by patents and the sort of intellectual property that wasn't created by any one individual. In so many cases, the drugs that we're using to fight the COVID pandemic were funded through public sources. Often public investment was what started the process to create the drugs that then drug companies are able to monopolize and rake in enormous profits. On the purchasing end, who's buying these vaccines, again it's government.

So you get public money going in to create the vaccines and public money going into buy the vaccines. And there's a few individuals at the top of these companies that are just getting richer and richer off of what is a life-saving technology that should be distributed as widely and as quickly as possible. But instead is being distributed based on the profit-motive.

RESH: And this leads to the creation of vaccine billionaires.

IAN: Precisely. You know, we're seeing that that combination of monopoly and then the fact that the pharmaceutical companies decided, "we're going to sell most of the vaccine we produce to the richer countries that are willing to pay more per dose". And so it meant that people in rich countries had access to vaccines at a much higher rate and much more quickly than people living in middle- and low- income countries. Actually, most of the vaccines have gone to people in the high-income countries.

Even now we've seen more booster doses go to high-income countries than all the vaccines distributed to low-income countries. The disparity is huge in who's getting the vaccine, but at the end of the day it's driving up the wealth of the people at the top of these companies.

RESH: And at the same time, prolonging the pandemic. I mean, we've also had voices, obviously from the Global South call out a *vaccine apartheid*, which is so incredibly destructive. Along with Western powers, we've already mentioned him, billionaire Bill Gates became one of the most powerful voices on the world stage speaking against the World Health Organization. The WHO wanted to waive intellectual property restrictions on vaccines, which would have allowed everybody access to a vaccine.

The argument that Gates, among others, was making was that waiving the patent would stifle innovation and creativity and the entrepreneurial spirit that drives our economic system. Now, Linda, this type of argument - a favorite of supply-side, neoliberal economists - that in order to universalize something, it's just going to kill that entrepreneurial spirit. What is your response to this?

LINDA: Oh, I mean it just to treat it for the ludicrous assertion. Let's stop dealing with these people as if they're making important arguments. That story that you just mentioned - Bill Gates simply used his clout as one of the biggest players in global health, which is what he's done as a philanthropist, right? He used that clout to block a Peoples' Vaccine that was being worked on in the very early stages of the pandemic at the World Health Organization.

This is an amazing story that's gotten very little attention. He didn't do it because of some need to whatever silly business argument. He did it because, like other billionaires, he loves the idea of one individual being able to have such incredible control over a vaccine through copyright laws that by any logic, by any logic in the world is something that should be universally available.

And don't give me some silliness that if that were to be universally available, people would become lethargic and not bother working on vaccines. The world's top scientists were trying to work together to develop a Peoples' Vaccine. And Bill Gates used his enormous clout within the world health community to essentially nix that.

And, I'd like to actually use that as just one illustration of this accumulation of wealth in the hands of billionaires. It's not just that it's tremendously unfair, which of course it is, it's that it gives them so much political power that they get to effectively control the world.

And that is obviously completely undemocratic and you can go on and on about how that undermines our democratic principles and everything. Of course it does. But let's confront the actual danger. The wealthy corporate elite now has so much power that it can effectively block any kind of collective action. And that's exactly what they're doing.

The reason that there isn't progress on climate change isn't that the public is resistant. The public would actually like there to be action on climate change. It's the immensely powerful interests in the fossil fuel industry that are single-handedly blocking that.

So, it's not just billionaires... it's not just unfair they have all that money; it's detrimental to the survival of the human race.

I mean we, have to curb that power. So when I talk about a wealth tax, I'm not just talking about it so we can get money from them. I'm talking about a wealth tax that will curb their political power, economic and political power. So they can't control things and prevent us from taking the collective action we need to take.

RESH: Right. And thank you for bringing up the climate crisis. Because amid all of this, that is the biggest crisis that is facing us, that has ever faced us. And Linda, you have written on this extensively in terms of the power of big oil.

And Ian, Oxfam has also been talking about, the ways in which wealth is contributing to this planetary destructive journey that we seem to be on. So Ian, could you also speak to what's happening in terms of wealth and climate?

IAN: Linda makes a great point in that the accumulation of wealth is actually a major barrier to progress on climate action. And we just see it being blocked at so many different levels.

But we also see that in Canada certainly, many of the billionaires were made off of oil extraction. And the flip side is also that the impacts of climate change are invariably hitting the poorest and most marginalized people the hardest. People living in remotest communities. Indigenous people in Canada are feeling these climate impacts first and in the most severe way.

When we look at the global level, desertification in Africa is pushing millions towards extreme hunger. And many, many of these things are actually tied directly back to the climate crisis. So we need to not only mobilize action to reduce the emissions of the ultra wealthy, because we see that their lifestyles are contributing to the problem at such a greater extent than everybody else. But we also actually need to direct their wealth towards the solutions; so that people who are facing food shortages, who are being displaced by climate disasters, actually received the support that they need. It's a humanitarian imperative actually, to tax extreme wealth so that we can respond to the climate crisis. It's a life-saving exercise to do so. And currently governments haven't been making this connection. They haven't actually been linking how wealth is actually contributing to worsening the climate crisis. And on the flip side, how taxing that wealth is actually the key to unlocking so many of the climate solutions.

RESH: And going back to you Linda, so much of the billionaire wealth again is wrapped up within these sources of highly carbon emitting polluting activities. Do you see with all of the new legislation, these promises to green the economy, that we would be moving away from that? Do you find hope within that?

LINDA: Well not really, because the pace at which we're moving away is just nowhere near adequate.

We do these minor changes in order to green the economy, as you put it, or to deal with the enormous pollution and greenhouse gas emissions from the Tar Sands. But you know, as we all know, the Canadian government purchased the Trans Mountain Pipeline. The thing would have been shut down effectively and the Canadian Government stepped in and bought it to keep it alive. I think we're now up to \$22 billion; the Canadian government's on the hook in order to help to triple the amount of tar sands oil that can be exported.

This is just nuts! This is not a government that's serious about climate changing. Even if they introduce a little carbon tax. And in addition to that, there's all these hidden subsidies that remain in place to the oil industry. There was some very good work on this done by one of the environmental groups, Oil Change International. Where they looked at what were the actual subsidies given to fossil fuel companies? And they found that there were some overt ones, like for instance that purchase the Trans Mountain Pipeline. But there were billions and billions that were hidden. And they were given through things like the Export Development Bank. So that money was made available at very favorable rates to the oil industry. But you have to pour through documents, hours and hours of documents to see that. There's no identification - here are the subsidies that Canada gives to the Oil Industry.

If you look at all the subsidies you see it's a joke that the Canadian Government claims to be cutting back greenhouse gas emissions. They make all kinds of pledges. They never ever meet their targets. And meanwhile, they provide all these hidden subsidies so that the oil industry can just laugh it off essentially.

It's so hypocritical. The Trudeau government, it's good that they're not climate deniers, like the Harper government was; but they give this illusion... Trudeau presents himself as a climate warrior who really cares about the climate. Well you know, I guess that just isn't true, if you look at what his government actually does. The subsidies are enormous and they continue to be enormous and that hasn't changed. You can do a little sort of fancy work around carbon-pricing and carbon-capture and things like this, but that isn't going to do it. What will do it, is keeping the oil in the ground. That's the only thing that does it.

RESH: And, and that's not even getting into Canada's global mining activities. Ian do you want to say a little bit about that?

IAN: Bringing it back to the billionaires and the multimillionaires that have been created in resource extraction. These are public resources that are being extracted. And then the wealth is being accumulated in the hands of a few private individuals. So it's actually in country after country. We see it happening in Canada, but we also see it happening in many low-income countries where, whether it's mineral resources or whether it's petroleum resources, is enriching the few and these are resources that should be for the benefit of all.

So we certainly see that trend in Canada where the rich get richer every time there is another mining boom or the price of oil shoots up above a hundred dollars a barrel. But there's no real effort to recognize just how much public infrastructure went into being able to extract these resources and how at the end of the day, these resources are for the public benefit.

These aren't things that individuals own. These are things that we own collectively. And we just see time and time again, more and more of this wealth is being accumulated in the hands of the few. And in turn, the wealthy are the ones that are emitting such a disproportionate amount of carbon emissions compared to everybody else. It's the lifestyles of the ultra wealthy that is taking up so much of our global carbon budget.

LINDA: The increase in wealth of just Canadian billionaires. I think I got this right from you Ian, isn't it \$111 billion during the pandemic? Is that correct?

IAN: That's the number.

LINDA: Okay. Here's what I want to talk about. I want to talk about taxing these guys, because this is not some mystery. When you talk about \$111 billion in increase, that doesn't even talk about what they already had.

Do you realize that that money is essentially not taxed in their hands. That this is the thing people don't understand is that when people like me and Ian call for a wealth tax, the argument, isn't, "oh, we should put this special levy to penalize billionaires because they're doing so well". The truth is they're not even facing the stuff that ordinary Canadians face.

Ordinary Canadians inevitably are caught by the Income Tax. Okay? Not billionaires. Because the way billionaire wealth works it's primarily held in stocks. And as long as billionaires do not sell those stocks, they do not pay any tax through the Income Tax system. And you might say, well, but they have to sell those stocks at some point in order to live lavishly. No, they don't. Because what our banking system allows them to do, is to borrow... The banks will lend them huge amounts of money to finance their lavish lifestyles at very low rates of interest and thereby, they get around not cashing in their stocks. They hold on to those stocks. The stocks can keep increasing in value and they pay no tax on that. That is outrageous! So to bring in a wealth tax would simply be to try and correct that enormous loophole that allows the extremely wealthy to effectively pay no tax.

There was those revelations that came out a year or so ago from Pro Publica,, the investigative website in the U S, that got a hold of the tax returns of Bezos and a couple of these other very wealthy individuals and found that in certain years they had paid zero, zero income tax. Like not a lower rate than their secretaries or whatever the phrase is. They had paid zero!

So with a wealth tax, what you do is you apply the tax to their wealth. And you can set it at 1%, you can set it at 8%. You can set it at any level you want, but it actually applies to their wealth, whether or not they cash in their stocks.

The polling on this, I mean, there's very little talk about this issue, but the polling that's been done on it shows the public, even Conservatives generally support this and the public overall supports it by something like 85%. But we just can't get it onto the political agenda. I mean, it just cries out for this kind of correction.

RESH: So going onto this, because we can't get it onto the political agenda, What do billionaires signal about the health of our economic and democratic systems? I mean, going back to the title of another of your books, Linda; What is the trouble with billionaires when it comes our democracy?

LINDA: Oh, no, that wasn't the title.

The title was "The Trouble with Billionaires".

RESH: Okay

LINDA: I didn't have any question about it. I am by no means thinking we can't do something about this. I think this is definitely something that is very doable. We just have to get it on the political agenda. Like the governing party will never do it

because they're too obviously beholden to the billionaire class. But if there was an immense enough public pressure, it could be forced onto the agenda.

Look at in Canada, the NDP ran in the last election - in fact, the last two elections- they ran arguing for a wealth tax. It was a very, very modest one. But it would have made an enormous difference. Even at the very modest level of 1%. It would have made a huge difference. In the U S. both Senators Bernie Sanders and Elizabeth Warren have proposed more extensive wealth taxes.

Joe Biden, as President has even proposed a wealth tax. The fact that they can't get it through Congress because of how beholden the Senate is to powerful billionaires doesn't mean it's not a doable thing. There's no focus on it. If there were focus on this issue, I think it would be, it could be a huge winner that political parties could be forced to do it.

It was great that the NDP ran on that. When they made their deal with the Liberals, it would have been nice if they'd pushed for something more on that front., They got absolutely nothing in terms of being tough on the very wealthy. But this is an issue that activates people; if they can only hear about it.

RESH: And you're talking about the Confidence and Supply Agreement that just happened between the NDP and the Liberals.

Oxfam has also talked about this, Ian in terms of recommending a wealth tax and capital gains tax to at least claw back some of the pandemic wealth during this time. Could you speak more to that? And what are some of the other structural changes that Oxfam has been recommending about this?

IAN: Well, it's true. I mean as Oxfam we've certainly been advocating for a wealth tax for some time and the pandemic has just kind of blown wealth inequality in the country out of all previous proportion. So I think Linda's right. I think actually the climate is ripe and people are seeing the growing disparities and gaps. Even as the price of energy and food shoots up this year, I think more and more Canadians are feeling the squeeze and are starting to wonder why is it that some at the top are able to accumulate so much? Why are the rules rigged in their favor again and again? And this government has actually talked about taxing extreme wealth inequality. What they haven't done is actually followed through on those commitments. It's not that we don't have anything to work with, I mean our current Finance Minister, before she went into politics was a journalist who wrote a book on the ultra wealthy and exposing their lifestyle.

So I do think there is some appetite to move on this front that goes beyond the NDP and the NDP could push others on this agenda, which they've really been championing. And we could get somewhere. So far we've seen very little. I mean, we've seen a tax announced on luxury goods like yachts and private jets, but that isn't going to get at the structural problem that Linda so accurately described. It's not a bad thing to bring in a Luxury Goods Tax; but it certainly doesn't address the huge accumulation of wealth that we've seen, that's really shot up even more during the

pandemic. So, instituting a wealth tax and also looking at the corporate sector, the companies that have really made windfall profits over the course of the pandemic.

And we need new taxes in order to make sure that that wealth is actually put into the things that Canadians need to weather these difficult times. And not just Canada, but that Canada can actually play a role in solving global problems. That we can actually contribute our fair share to the fight against climate change. That we can actually contribute our fair share to ending global hunger.

This is all going to require a fair taxation in Canada. And we're far from that today. We need to do a lot more.

RESH: Oxfam has been releasing reports as it does every year. And in the 2021 Oxfam report, *The Inequality Virus*, Oxfam was unequivocal in making this connection between wealth and poverty and then doubled-down on this in this year's report, *Inequality Kills*. So Ian, how does inequality kill and who is it killing? Because there is a disproportionality happening here as well.

IAN: Thanks Resh because that's absolutely the case. And that's what we were sounding the alarm on in our report this year is the fact that when people are pushed to the extreme they're losing their lives due to this extreme wealth inequality that has developed.

And in our report we quantify that and we actually put a number on how many lives are lost due, to extreme poverty. Whether it's from the climate disasters that are taking lives. Whether it's the vaccine inequality, that means that COVID-19 is taking more lives. These are deaths that could be easily prevented if we had a more equitable vaccine distribution. And, people are also being pushed to the brink of extreme hunger and actually are dying of starvation. These are the sorts of real-life impacts of this extreme wealth inequality, largely in the lowest income countries. But also lower income people in all countries are suffering from some of these most extreme cases.

And when you take the numbers, you just see that actually people are dying every four minutes due to inequality. The numbers are so staggering that it is hard to wrap your head around what kind of suffering this is bringing about.

RESH: So it is the low-income, also the racialized, females, as you say as well. So it's interesting how this has really doubled down on the structural inequalities and structural violence that has already been within our systems long before COVID arrived.

Years ago, the Canadian-made documentary *The Corporation* set out to diagnose the personality type of a corporation. And this was based on corporations gaining legal personhood and rights through the misuse of a US law that was created to grant rights to formerly enslaved people.

Now we have a situation where decisions by the wealthy- be they nations, corporations or individuals, billionaires - have prevented global vaccine distribution, thereby prolonging the pandemic; engage in environmentally destructive behavior and legislation during the worst climate and existential crisis we have ever faced; and reap the rewards from exploiting one of the steepest economic declines in recent memory.

So what would be the psychology of the 21st century billionaire? And I'm going to start with you, Ian, and then Linda, I'm going to come to you on this question. What are they thinking? What is the psychology here?

IAN: I think, from the original documentary they were found to be complete sociopaths with only their own benefit in mind and actually being completely out of tune with the needs of the societies that made their wealth possible. And I think we've just seen that ramped up extremely to the point where actually some of the social fabric that did hold things together 20 years ago, has completely frayed and in some cases vanished altogether. That we're just seeing the extreme wealth gap get so huge and turbocharged during these two years of the pandemic, that it's a total disconnect. The image of billionaires shooting off of the planet in rockets really does for me sum up, you know, their personality trait vis-a-vis how they want to connect with the rest of society.

They're airborne and completely detached and disconnected from the struggles of working people, from the environmental impacts of either their individual lifestyles or the business corporations and empires that they control.

RESH: Okay. And Linda

LINDA: Well, I'll agree with Ian about the word "sociopath". I think that's probably the best way to describe them. In fact, I can't remember who said this, but it was a nice point- that if you're poor and you're a sociopath, you'll likely end up in jail. If you're rich and you're a sociopath, you'll likely end up in business school and go on to be some corporate success. Because of course the whole capitalist economy that we live in, it is kind of based on a kind of extreme social, sociopath, whatever you want to call it, social deviancy. That the notion that there's no end to greed and greed should be indulged and we should encourage it. And that we shouldn't worry about spreading the wealth, we should let the market do that. Well, clearly the market does not do that. Anybody who's played Monopoly knows that's not the way capitalism works. It works towards accumulating capital and developing monopolies so that the tiny group at the top get richer and richer. This is just a horrendously bad philosophy.

It used to be tempered, in the days of more moderate capitalism and the kind of capitalism we see in the Scandinavian countries today, by a sense of the public good and a sort of activist type government that would intervene and distribute resources more fairly and structure the economy in a way that labor had some power. Not just all the power resided with capital.

More moderate capitalism can mitigate some of the worst effects of this extreme system. We do have social systems in place to some extent in Canada, thank God for instance, has a public healthcare system, that of course is being whittled away by privatization. But the point is that the modern post 1980 turn in our society and the ascension of this billionaire class - and as Ian points out, they're rocketing off even further upwards through the pandemic... We've lost all ability to mitigate the worst effects of individual greed. And we simply have to dramatically take control back of things, or we're just not going to survive. We're not going to have a viable planet to live on.

RESH: What do we need to do in order to recapture the good of the Commons, in order to recapture that spirit that existed at the beginning of this pandemic? That this is indeed a moment of change. That we can have a change for the better.

IAN: Well, we do see the odd billionaire or a multimillionaire who is actually calling for increased taxes on the super wealthy. And that's not going to be enough. I think people in the billionaire class, many of them are practicing philanthropy as the solution to get us out of the crises we face. A few of them are actually talking about bigger structural changes to our tax system. But it really has to come from our democratic institutions. And many of them are under threat because of the wealth inequality that has developed. It's actually challenged democracy itself which is the scariest part.

If democracy is what is going to help get us out of this crisis of wealth inequality But the wealth inequality itself is putting it under threat. We really do need to push for changes at the systems level to tax the wealthiest and to drive all of those resources into actions that are actually going to reverse the inequality; whether it's racial inequality or gender inequality or vaccine inequality.

When we bring about these taxes and actually redirect resources to saving people's lives, to making the world a fairer place and to making the planet a livable planet, that gives me hope. And any time that we can see people engaging in democracy and pushing leaders in that direction is a cause for hope.

I don't think we can turn to the billionaire class to solve any of these crises. I think it will take the power of people.

RESH: So not the billionaire class, but the billions themselves. The numerical majority. And Linda?

LINDA: Definitely we cannot think that the billionaire class is going to be of any help. I would say they are the biggest impediment we face. Their enormous power, their wealth and their power and the stranglehold they effectively hold on our democracy - democracies at this point - is the biggest problem to solve. All these problems. All these interconnected problems.

The solution definitely comes in some form in getting their wealth and curbing their power through the tax system. People will often say. "Wow! Why do you rely so much on the tax system?"

Let me just point out there's many, many different ways that billionaire power could be curbed. We could have much stronger laws for instance, governing the electoral system and influences that they have at various points.

The simple truth is we should be working on all kinds of fronts. We should be working to empower labor over capital, all these kinds of things. But the single most effective, quickest way to really bring about significant change is through the tax system.

Because through one mechanism you can just create enormous change by redirecting funds to different causes. And as I've said, the Wealth Tax, and Ian points out of course the Corporate Tax as well has been so diminished. We need to restore the Corporate Tax. We need to bring in a Wealth Tax that would actually not just give us fabulous resources, which would be fantastic; but would actually curb the power of billionaires. It would start to turn things around so that billionaire wealth didn't just get bigger and more concentrated every year.

And okay. That is exceptionally ambitious. I hold no belief that this is some easy thing to do. But I guess I'm just saying, it's the only thing, in my opinion, that would really work. And, you know, given how little time we have, that's the kind of thing that we actually must do.

And I guess the part that I'm optimistic about is that the public is not that far off. The public is behind a lot of these ideas. As things have become more and more extreme - I think there was a period when neoliberalism really started in the eighties and nineties, that the public kind of bought some of those business arguments about, oh, you have to create incentives for business.

I don't think anybody believes that anymore. I don't think anybody thinks that Jeff Bezos is just simply the hardest working guy. You know? People know that those arguments are effectively silly. That's why some 85% of people support a Wealth Tax.

So the question is it's the gap between what the public intellectually accepts and even wants and what the politicians are doing. And the only way to correct that is for people like us to try and activate the public. So they put pressure on the politicians. Because that's the only thing that's going to change it.

RESH: Thank you. Thank you, Linda. And thank you Ian, for a great conversation.

LINDA: Thank you, Resh.

IAN: It's been a pleasure.

RESH: It's been an absolute pleasure.

That was author, journalist and activist, Linda McQuaig and Manager of Policy at Oxfam Canada, Ian Thomson.

I'm Resh Budhu, host of *The Courage My Friends* podcast. Thanks for listening.

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